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Poultry Programs

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## Brazil's Poultry Industry

Brazil is the world's second largest broiler exporter and is forecast to surpass the EU in 2002 to become the world's second largest broiler producer. Production is forecast to increase from 6,580,000 metric tons in 2001 to 7,040,000 in 2002.

Broiler producers are expected to continue their efforts on expanding exports in 2002. Traditionally Brazilians had been whole bird exporters, however in 2001 cut exports surpassed whole bird levels. In 2002 broiler exports are forecast to reach a record 1.4 million tons, a gain of nearly 13 percent over 2001. The devaluation of the Brazilian Real made Brazil more competitive on the world market. Brazil significantly increased chicken cut exports to the EU, Russia, Cuba, and numerous regions in Africa, Asia, and the Middle East. Brazil is expected to increase its market activities in these regions in 2002.

In 2002 Brazil's turkey exports are forecast to reach 74,000 tons, triple the level of only three years ago. Turkey production is forecast to reach 175,000 tons in 2002, up from 115,000 in 1999. Turkey cut exports totaled 65,090 metric tons in 2001, 94 percent of total turkey exports.

### Brazil's Broiler Situation (1,000 tons ready to cook equivalent)

	1998	1999	2000	2001(p)	2002(f)
Production	4,498	5,526	5,980	6,580	7,040
Consumption	3,882	4,600	5,044	5,288	5,686
Exports	616	776	916	1,266	1,430

### Exports of Chickens (in metric tons)

	Whole		Parts		2002
	2000	2001	1999	2001	
Angola	16,604	14,616	243	170	1,734
Argentina	35,716	18,086	6,498	5,744	4,523
EU-15	9,610	13,979	81,584	123,448	224,790
Hong Kong	4,619	5,569	94,070	107,974	109,648
Japan	3,513	6,365	9,6690	105,757	12,4272
Kuwait	35,278	45,930	2,793	3,686	3,874
Oman	12,548	18,669	969	874	1,347
Qatar	15,334	19,244	1,809	1,763	1,960
Russia	13,883	59,711	3,270	6,884	37,223
Saudi Arabia	198,466	243,388	9,439	9,089	12,283
Singapore	9,161	8,193	17,879	19,573	26,165
South Africa	3,490	1,296	9,220	11,809	30,429
UAE	26,456	45,025	4,053	3,657	8,023
Yemen	27,614	39,286	2	189	195

### Exports of Turkey Cuts (in metric tons)

	1997	1998	1999	2000	2001
EU-15	12,130	11,621	15,962	25,151	43,024
Russia	-	147	414	267	4,078
South Africa	4,542	1,607	2,056	3,854	5,972

Source: USDA/FAS

## U.S. Poultry Exports

Over the first four months of 2002, shipments of broiler meat have totaled 1.479 billion pounds, down 21 percent from the same period in 2001. While the reduction in exports to Russia is by far the largest component of the decline, it is by no means the only one. Exports to Hong Kong, the second largest market, were down 18 percent and shipments to Japan have fallen by 3 percent. The only major export markets that registered increases were Mexico and Korea. Exports to Mexico jumped by 31 percent and trade with Korea has been 57 percent higher. Mexico has been the chief bright spot in poultry meat trade to far in 2002, with its imports of turkey products also rising strongly.

Egg exports over the first four months of 2002 totaled 54.2 million dozen, six percent above the same period in 2001. Exports to the four largest traditional markets have had mixed success in 2002. Shipments to Canada and Mexico were both down slightly, and shipments to Japan have fallen by over 50 percent. On a positive note exports to Hong Kong were up 19 percent. The real boost in egg exports so far in 2002 has been shipments to European Union countries. So far in 2002 the largest market for egg exports has been Belgium at 13.2 million dozen. All of the exports to Belgium have been in the form of egg products and is a continuation of the expansion in exports that began in 2001. Previously, Belgium had been only a minor market for U.S. eggs.

Source: USDA/Economic Research Service

### Japanese Frozen Broiler Imports (in metric tons)

	United States	China	Brazil	Thailand	Total
Month					
February	3,792	10,847	10,305	8,748	33,692
March	5,199	16,413	3,732	9,946	35,290
April	6,165	18,412	8,074	9,426	42,077
Year to date	20,371	64,365	27,699	37,635	150,070
2002					
February	5,264	5,890	15,369	18,500	45,023
March	2,181	5,930	15,647	16,595	40,353
April	3,457	8,192	17,865	16,430	45,944
Year to date	14,081	31,219	69,988	73,861	189,149

Source: ALIC Monthly statistics

### First Quarter Chick Placements (in thousands)

	2002	2001	% Chg	2000	% Chg
EU	67,637	68,860	-2	69,351	-2
US	53,289	58,584	-9	54,246	-2
Brazil	14,144	15,646	-10	13,116	8
Japan	27,675	28,185	-2	27,432	1

Source: International Egg Commission

**Inspected Egg Products-U.S. & Canada Export/Import Trade****U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending July 13, 2002

Year-To-Date

	2002	2001 /1	2002	2001
Liquid	249	182	9,704	5,960
Frozen	0	0	21	78
Dried	0	0	198	40
Total	249	182	9,923	6,078

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**

Week Ending July 13, 2002

Year-To-Date

	2002	2001/1	2002	2001
Liquid	73	125	2,981	2,877
Frozen	0	111	1,763	758
Dried	40	8	2,482	309
Total	113	244	7,226	3,944

**Inspected Shell Eggs****U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending July 13, 2002

Year-To-Date

	2002	2001 /1	2002	2001
Jumbo	0	0	1,155	87
Extra Large	1,890	1,620	16,949	26,266
Large	5,123	2,360	64,482	65,548
Medium	1,800	1,320	26,677	26,098
Ungraded	0	4,470	178,285	188,660
Misc	0	2,370	11,224	48,274
Total	8,813	12,140	298,772	354,933

/1 Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

**CENTRAL REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

19-JUL-2002

**CHICKEN** — PRICES — VOLUME —  
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

19-JUL-2002

— PRICES — VOLUME —  
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	14.00-15.50	13.00	214,000	122,400
WTD AVERAGE	14.35	13.00		
15-20%				
RANGE	10.00-13.50	10.50-14.00	1,929,600	81,600
WTD AVERAGE	11.95	11.91		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

\* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

**LIVE POULTRY SLTRD UNDER INSPECTION** W/E 13-Jul-02**(PRELIMINARY) U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,498	1,418	2,916
LAST WEEK	1,137	1,037	2,174
SAME WEEK YR AGO	1,685	1,642	3,327
TO-DATE/2002	49,710	37,388	87,098
TO-DATE/2001	49,922	37,893	87,815

**U.S. FOWL SLAUGHTERED IN CANADA**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	253	27	280
LAST WEEK	208	4	212
SAME WEEK YR AGO	490	4	494
TO-DATE/2002	8,869	69	8,938
TO-DATE/2001	13,540	196	13,736

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

**TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,751	1,445	3,196
LAST WEEK	1,345	1,041	2,386
SAME WEEK YR AGO	2,175	1,646	3,821
TO-DATE/2002	58,579	37,457	96,036
TO-DATE/2001	63,462	38,089	101,551

SOURCE: USDA/AMS PLTRY PROGRAMS, MRKT NEWS BR.

**EASTERN REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

19-JUL-2002

**CHICKEN** — PRICES — VOLUME —  
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

19-JUL-2002

— PRICES — VOLUME —  
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	12.00-16.75	13.50	876,000	560,000
WTD AVERAGE	16.14	13.50		
15-20%				
RANGE	11.00-13.00	10.50-15.00	1,174,000	-
WTD AVERAGE	11.43	12.58		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

\* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

**NATIONAL YOUNG TURKEY PARTS AND BULK MEAT**, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 19 JULY 2002.

The fresh white meat undertone was mostly steady in the Midwest and the East. However, some weakness was noted on fresh tom breast meat in the West with some sellers willing to negotiate. Demand ranged slow to moderate, best for prompt shipments in the Midwest and East. Fresh tom breast meat traded at 151 delivered July, 2002 - June, 2003. Offerings of fresh tom breast meat ranged from adequate to instances burdensome, balance of fresh white meat offerings adequate. Frozen white meat undertone steady to weak. Demand light, best on breast trim, scapula and destrapped tenderloins. Offerings available. Bulk parts demand fair to good on tom drums for domestic and export shipments as they attempt to find a floor, balance light. Domestic trading centered on a heavy volume of 4-8 lb. breasts and on a fair volume of tom drums. Export trading was heavy on tom drums at the lower trending prices and on frozen thigh meat. The export frozen thigh meat market is mixed as some move excess inventories at lower prices while others buy product at higher price levels in anticipation of some previously closed markets opening.

**FRIDAY, JULY 19, 2002****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	19.00-21.00		19.28	1,136	20.25	3,336
WINGS FULL-CUT - TOMS		R	19.50	40	19.50	40
WINGS, V-TYPE, TOM	27.00		27.00	52	27.00	52
TAILS		M	20.00	52	20.00	52
MECHANICALLY SEPARATED 2/	18.00-20.00		18.67	60	18.40	100
THIGH MEAT - FROZEN	41.00-55.00		48.42	744	46.62	1,492

**THURSDAY JULY 18, 2002****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	17.00-23.00		20.15	936
WINGS FULL-CUT - TOMS	19.50		19.50	40
WINGS, V-TYPE, TOM				
TAILS		M	20.00	52
MECHANICALLY SEPARATED 2/		T	18.00	40
THIGH MEAT - FROZEN	38.00-41.00		38.43	364

**WEDNESDAY, JULY 17, 2002****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	19.00-20.00		19.28	144
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS		M	20.00	52
MECHANICALLY SEPARATED 2/		T	18.00	40
THIGH MEAT - FROZEN	41.00-55.00		50.90	384

**TUESDAY, JULY 16, 2002****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	21.00		21.00	360
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS		M	20.00	52
MECHANICALLY SEPARATED 2/	18.00		18.00	40
THIGH MEAT - FROZEN		F	52.10	248

**MONDAY, JULY 15, 2002****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	21.00-23.00		21.63	760
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS	20.00		20.00	52
MECHANICALLY SEPARATED 2/		F	18.00	20
THIGH MEAT - FROZEN		F	52.10	248

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.

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